



Open Innovation is increasingly seen as an important business decision. What is Open Innovation and why is it important in an IP strategy?

TL: Open Innovation is a paradigm where a company should not rely just on internal ideas, but tap on external ideas, partnership or technology to infuse new innovations on existing pipelines. Working with other parties can help create greater value for the company's products, and that's where Open Innovation comes in.

An example is Health Food Matters (HFM), a Singapore nutrition SME. It was keen to work with a local technology partner to develop texture-modified meals in local flavours to meet

a growing market demand. It was introduced to Changi General Hospital (CGH) by the National Healthcare Innovation Centre (NHIC) at TechInnovation 2015, a technology-industry brokerage event organised by IPI.

CGH had developed an in-house technology to produce texture-modified meals that would be safe and delicious for people with swallowing difficulties. A licensing agreement was inked between HFM and CGH last September to allow HFM to produce and market the products in Singapore, Japan, New Zealand and Australia using the formula and recipes from the hospital. By in-licensing the IP from CGH, HFM has reduced costs, time and risks (compared to HFM developing the technology itself) and accelerated its product-to-market cycle.

Are there challenges in getting enterprises to embrace Open Innovation?

TL: Yes, there is the "Not Invented Here" syndrome, where enterprises feel that because the idea did not come from within the company, they reject it. Companies need to understand that new ideas are going to help them reposition their business and product.

The good thing is that over the last 10 years or so, there has been a push from the Government for people to be more open-minded, especially with talent being so scarce.

Now, I see many big and small enterprises trying to embark on Open Innovation. They see the need to do this because they want to move from being service providers and distributors to product creators, and they can't always do it on their own. Sometimes they need different approaches, which they can only achieve with partnerships.

How should enterprises go about developing an IP strategy?

TL: An IP strategy must be aligned to and support the overall business strategy. A company needs to do a self-review to determine its own IP strengths and weaknesses before deciding the best model of IP collaboration for them. For example, a technology enterprise may decide to out-license its IP to generate revenue while a product company that does not have an internal IP that is strong enough may

need to strengthen its R&D, collaborate with external innovation partners, or in-license new IP to strengthen its IP portfolio.

The enterprise also needs to consider the current market conditions and its business priorities. In a situation where an SME wants to speed up its R&D pipeline or accelerate product development, it may consider collaborating with external technology partners that are open to licensing their IPs to the SME.

How can IPI Singapore help SMEs address some of the challenges faced in leveraging IP for business growth?

TL: Our core thrust is to help SMEs that want to embark on innovation but are uncertain how to start, given their limited resources. At IPI, we focus on their needs, and determine the knowledge and access gaps that can be resolved through technology adoption. As an innovation intermediary, IPI helps SMEs source for technologies locally and overseas, from both public and private sectors, and facilitate partnerships to bring new products and services to the market.

We also encounter companies that have developed technologies and are looking to access adopters. For example, Singapore-based telematics enterprise ClickDrive, developed a product that can track a car's performance and offer predictive engine maintenance solutions but was unsure of which industry it could best be used in. We suggested a partnership with Car Club, a car-sharing company with over 200 vehicles.

Both parties have benefitted from this partnership. With the data, Car Club is better able to anticipate engine faults before they happen and work out an optimal schedule for maintenance, ensuring that each vehicle is well-maintained. For ClickDrive, this has enabled them to validate the commercial merit of their solution on a large scale. It was also awarded a grant from SPRING in 2016.

We are keen to discuss the challenges that SMEs face in building their innovation capabilities. IPI's role can be simply described in terms of 'ABC' – we help Accelerate innovation, Bridge gaps to boost competitiveness, and Connect SMEs to new partnerships. ■